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## Senegal

### Oilseeds and Products

### Annual Update

**2007**

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**Report Highlights:**

Post forecasts a slight increase in production of peanuts in 2007/2008 to 560,000 MT as area planted will increase to 700,000 hectares. Production decreased drastically in 2006/2007 by 35 percent compared to the previous year and 20 percent compared to average production over the last five years. The government continues to subsidize production and marketing despite the privatization of the main peanut company, SUNEOR. Europe is still the main export market and exports of non refined peanut oil to the U.S. have resumed in 2006.

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Includes PSD Changes: Yes  
Includes Trade Matrix: Yes  
Annual Report  
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## Executive Summary

Post forecasts an increase in peanut production in 2007/2008 to 560,000 tons as the result of a projected increase in area planted to 700,000 hectares, the government's commitment to continue subsidizing production and marketing. Peanuts are the main government-supported cash crop and remain the primary source of income for most Senegalese farmers and are among the first four main export products for Senegal.

The upward trend in production observed in 2005/2006 due to increased government input subsidies and area expansion slowed down in 2006/07 with a decrease in area planted by 23 percent (from 772,000 to nearly 594,000), despite a government CFA 10 billion subsidy for the purchase of 50,000 tons of seeds and for price control. Production declined from 703,373 tons in 2005/2006 to 460,481 tons in 2006/2007 against a forecasted production of 650,000 tons. This represents a 35% decrease compared to previous growing season and 20% compared to average production over the last five years.

This decrease in production results from the late distribution of seeds, fertilizers and farming equipment. The bad quality seeds and late start of the rainy season in some regions also explain this overall drop in production. Supply of quality peanut seeds is still a serious hamper to the peanut sector despite a World Bank funded 5- year seed multiplication project initiated in 2003. The objective of producing 120,000 tons of certified seeds by the end of 2008 is unrealistic. This year, total seeds collected by peanut companies and private traders are estimated at about 37,000 tons. Although a few isolated cases of insect infestations have been reported, harvest losses due to attacks were negligible.

The marketing season, which started in December, 2006 and ended in April, 2007 was also affected by the decrease in production as the competition between traditional buyers (the main peanut oil companies) and private traders tightens. The peanut producer price was set at CFA 150 per kilogram (about \$0.30) down from CFA 170 during previous marketing years. In support to peanut farmers against instable international market prices, the government subsidized the price for about CFA 6 billion, which lifted the price from CFA 110/kilogram to CFA 150/kilogram. However, despite this price control system, the main peanuts oil companies were only able to collect 136,085 tons out of a total production 460,481 tons: SUNEOR (the main company) collected 126,383 tons out of a forecasted crushing target of 185,000 tons; NOVASEN: about 10,000 tons; and Complex Agro-Industriel of Touba: 162,725 tons. These include also 28,000 tons of seeds for the next growing season (25,000 tons by SUNEOR). In addition, private seed buyers collected 8,296 tons out of an allocation of 10,000 tons.

The peanut industry is still dominated by SUNEOR (former parastatal SONACOS), which has been renamed SUNEOR after its privatization (see GAIN SG5001). This company's exports of peanut oil accounts for 45 to 50 percent of the world market transactions. Exports of peanuts oil to the U.S. have resumed in 2006 and were estimated at \$14.2 million. Other major peanut oil producers include NOVASEN and the Complex of Touba.

SUNEOR also imports non-refined soybean oil mainly from Brazil, Argentina and France, which it processes for the local market. Imports of soybean oil were estimated at \$10 million in 2006 down from \$21 million in 2005. This decrease resulted from the increasing liberalization of the imports of edible oils. U.S. exports of vegetable oils (ex soy) totaled \$251,000 in 2006.

Exchange Rate: Wednesday, May 23, 2007  
1 US Dollar = 487.425 CFA Franc BCEAO

Senegal Oilseed, Peanut										
	2005	Revised		2006	Estimate		2007	Forecast		UOM
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	
Market Year Begin		11/2005	11/2005		11/2006	11/2006		11/2007	11/2007	MM/YYYY
Area Planted	850	850	772	850	0	594	0	0	700	(1000 HA)
Area Harvested	850	850	772	850	0	594	0	0	700	(1000 HA)
Beginning Stocks	29	5	29	20	5	23	25	0	22	(1000 MT)
Production	700	600	703	700	0	460	0	0	560	(1000 MT)
MY Imports	0	5	0	0	0	0	0	0	0	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)
MY Imp. from EU	0	0	0	0	0	0	0	0	0	(1000 MT)
Total Supply	729	610	732	720	5	483	25	0	582	(1000 MT)
MY Exports	0	25	0	2	0	0	0	0	0	(1000 MT)
MY Exp. to EU	0	0	0	0	0	0	0	0	0	(1000 MT)
Crush	300	300	300	320	0	250	0	0	300	(1000 MT)
Food Use Dom. Cons.	289	195	289	290	0	150	0	0	180	(1000 MT)
Feed Waste Dom. Cons.	120	85	120	83	0	61	0	0	90	(1000 MT)
Total Dom. Cons.	709	580	709	693	0	461	0	0	570	(1000 MT)
Ending Stocks	20	5	23	25	0	22	0	0	12	(1000 MT)
Total Distribution	729	610	732	720	0	483	0	0	582	(1000 MT)
CY Imports	0	5	0	0	0	0	0	0	0	(1000 MT)
CY Imp. from U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)
CY Exports	0	30	0	0	0	0	0	0	0	(1000 MT)
CY Exp. to U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)

Senegal Oil, Peanut										
	2005	Revised		2006	Estimate		2007	Forecast		UOM
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	
Market Year Begin		11/2005	11/2005		11/2006	11/2006		11/2007	11/2007	MM/YYYY
Crush	300	300	300	320	0	320	0	0	250	(1000 MT)
Extr. Rate, 999.9999	0.323333	0.35	0.323333	0.321875	0	0.321875	0	0	0.32	(PERCENT)
Beginning Stocks	3	11	3	2	19	26	2	0	29	(1000 MT)
Production	97	105	97	103	0	103	0	0	80	(1000 MT)
MY Imports	0	0	0	0	0	0	0	0	0	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)
MY Imp. from EU	0	0	0	0	0	0	0	0	0	(1000 MT)
Total Supply	100	116	100	105	19	129	2	0	109	(1000 MT)
MY Exports	56	85	32	60	0	55	0	0	55	(1000 MT)
MY Exp. to EU	50	85	32	50	0	41	0	0	50	(1000 MT)
Industrial Dom. Cons.	0	0	0	0	0	0	0	0	0	(1000 MT)
Food Use Dom. Cons.	42	12	42	43	0	45	0	0	27	(1000 MT)
Feed Waste Dom. Cons.	0	0	0	0	0	0	0	0	0	(1000 MT)
Total Dom. Cons.	42	12	42	43	0	45	0	0	27	(1000 MT)
Ending Stocks	2	19	26	2	0	29	0	0	27	(1000 MT)
Total Distribution	100	116	100	105	0	129	0	0	109	(1000 MT)
CY Imports	0	0	0	0	0	0	0	0	0	(1000 MT)
CY Imp. from U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)
CY Exports	56	50	32	60	0	55	0	0	55	(1000 MT)
CY Exp. to U.S.	0	0	0	0	0	14	0	0	5	(1000 MT)

Senegal Meal, Peanut										
	2005	Revised		2006	Estimate		2007	Forecast		UOM
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	
Market Year Begin		11/2005	11/2005		11/2006	11/2006		11/2007	11/2007	MM/YYYY
Crush	300	300	300	320	0	320	0	0	250	(1000 MT)
Extr. Rate, 999.9999	0.393333	0.42	0.393333	0.3625	0	0.3625	0	0	0.36	(PERCENT)
Beginning Stocks	0	1	0	0	2	0	0	0	0	(1000 MT)
Production	118	126	118	116	0	116	0	0	90	(1000 MT)
MY Imports	0	0	0	0	0	0	0	0	0	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)
MY Imp. from EU	0	0	0	0	0	0	0	0	0	(1000 MT)
Total Supply	118	127	118	116	2	116	0	0	90	(1000 MT)
MY Exports	31	100	31	60	0	60	0	0	50	(1000 MT)
MY Exp. to EU	28	80	28	48	0	48	0	0	40	(1000 MT)
Industrial Dom. Cons.	0	0	0	0	0	0	0	0	0	(1000 MT)
Food Use Dom. Cons.	0	0	0	0	0	0	0	0	0	(1000 MT)
Feed Waste Dom. Cons.	87	25	87	56	0	56	0	0	40	(1000 MT)
Total Dom. Cons.	87	25	87	56	0	56	0	0	40	(1000 MT)
Ending Stocks	0	2	0	0	0	0	0	0	0	(1000 MT)
Total Distribution	118	127	118	116	0	116	0	0	90	(1000 MT)
CY Imports	0	0	0	0	0	0	0	0	0	(1000 MT)
CY Imp. from U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)
CY Exports	46	0	46	60	0	60	0	0	50	(1000 MT)
CY Exp. to U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)
SME	97.788	28.1	97.788	62.944	0	62.944	0	0	44.96	(1000 MT)

Senegal Oil, Soybean										
	2005	Revised		2006	Estimate		2007	Forecast		UOM
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	
Market Year Begin		10/2005	10/2005		10/2006	10/2006		10/2007	10/2007	MM/YYYY
Crush	0	0	0	0	0	0	0	0	0	(1000 MT)
Extr. Rate, 999.9999	0	0	0	0	0	0	0	0	0	(PERCENT)
Beginning Stocks	0	4	0	0	4	0	0	0	0	(1000 MT)
Production	0	0	0	0	0	0	0	0	0	(1000 MT)
MY Imports	86	70	52	93	0	37	0	0	42	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)
MY Imp. from EU	3	60	4	2	0	3	0	0	3	(1000 MT)
Total Supply	86	74	52	93	4	37	0	0	42	(1000 MT)
MY Exports	0	0	0	0	0	0	0	0	0	(1000 MT)
MY Exp. to EU	0	0	0	0	0	0	0	0	0	(1000 MT)
Industrial Dom. Cons.	0	0	0	0	0	0	0	0	0	(1000 MT)
Food Use Dom. Cons.	86	70	52	93	0	37	0	0	42	(1000 MT)
Feed Waste Dom. Cons.	0	0	0	0	0	0	0	0	0	(1000 MT)
Total Dom. Cons.	86	70	52	93	0	37	0	0	42	(1000 MT)
Ending Stocks	0	4	0	0	0	0	0	0	0	(1000 MT)
Total Distribution	86	74	52	93	0	37	0	0	42	(1000 MT)
CY Imports	90	0	52	93	0	37	0	0	42	(1000 MT)
CY Imp. from U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)
CY Exports	0	0	0	0	0	0	0	0	0	(1000 MT)
CY Exp. to U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)

Export Trade Matrix			
Country	Senegal		
Commodity	Oil, Peanuts		
Time Period	Jan-Dec	Units:	MT
Exports for:	2005		2006
U.S.	0	U.S.	14,571
Others		Others	
France	19,127	Italy	22,678
Italy	9,214	France	9,158
Switzerland	3,003	Switzerland	7,698
United Kingdom	503	Belgium	1,502
Germany	276		
Total for Others	32,121		41,036
Others not Listed			
Grand Total	32,121		55,607

Import Trade Matrix			
Country	Senegal		
Commodity	Oil, Soybean		
Time Period	Jan-Dec	Units:	MT
Imports for:	2005		2006
U.S.	16	U.S.	0
Others		Others	
Brazil	48,222	Argentina	26,024
Spain	2,086	Brazil	8,600
Germany	2,040	Portugal	2,050
Argentina	32	Belgium	42
France	27		
Belgium	21		
Total for Others	52,429		36,716
Others not Listed	1		3
Grand Total	52,445		36,719